



Inter Department Correspondence Sheet

TO: Members of City Council

FROM: Breck Daughtrey, City Clerk

COPIES TO: _____

SUBJECT: Minutes of City Council Meeting

April 6, 2017

Attached are the minutes of the City Council meeting held on Tuesday, April 4, 2017.

Breck

NORFOLK, VIRGINIA

MEETING OF COUNCIL

TUESDAY, APRIL 4, 2017

Mayor Alexander called the meeting to order at 4:00 p.m. with the following members present: Ms. Graves, Ms. Johnson, Ms. McClellan, Mr. Smigiel, Mr. Thomas and Dr. Whibley. Mr. Riddick was absent.

He thereupon called for the City Manager to review the agenda. That being done, he moved to the first item of business.

A. HRSD AGREEMENT – SWIFT PROGRAM

John White, Storm Water Engineer, reported on the SWIFT (Sustainable Water Initiative for Tomorrow) program that was designed to resolve the Chesapeake Bay TMDL (Total Maximum Daily Load) obligations. Hampton Roads Sanitation District will assist the city in meeting its Total Maximum Daily Load of nitrogen, phosphorus and sediment flowing into the Bay through the SWIFT program, which would provide a sustainable resource to replenish groundwater and help address environmental pressures such as Chesapeake Bay restoration, sea level rise and saltwater intrusion.

B. NORFOLK PUBLIC SCHOOLS

School Superintendent Dr. Melinda Boone reported as follows:

- Declining enrollment has resulted in funding reductions and the loss of 600 positions.
- There are structural imbalances in the school system's budget, and she recognizes budgets cannot continue to be balanced using one-time revenues.
- The budget presented to council has a \$10 million gap.
- A pay and classification study is underway and responds to feedback from departing teachers about not receiving step increases.

Mr. Thomas asked if a plan is in place to prioritize expenditures if council did not fund the full \$10 million. Dr. Boone responded in the affirmative.

Mrs. Graves asked why Norfolk's suspension rates were higher than other jurisdictions. Dr. Boone responded much of the reason is due to not having in-school suspension.

Ms. McClellan asked how school capacities were being adjusted in response to declining enrollment and do school employees pay for a portion of their health care. Dr. Boone responded NPS is part of the consortium with the city and NRHA, and are reviewing options for reducing the costs. In years with no raises, NPS absorbed health insurance increases. On building utilization, she stated this is being examined with their consultant and will be presented in a report to the school board in October.

Mr. Smigiel asked if council proposed a tax increase dedicated to education, would the school system, board and teacher union be willing to educate citizens about why an increase is needed? Board Chair, Rodney Boone, indicated a willingness to do so.

In response to Mrs. Johnson, Dr. Boone further elaborated on compensation issues and educational partnerships.

Dr. Whibley stated she objected to health care costs not being included as compensation. She reiterated a concern about lack of responsiveness to declining attendance, rising student costs and not closing facilities. She asked for a fact sheet that concisely presents what school funding is being used for and what improvements have been made and what are needed. Dr. Boone responded on the buildings issue, she has put a timeline to the Richter study with the October report date. She stated a handout requested by Dr. Whibley is in the works.

The Mayor noted there is no tax increase planned in the city's budget and there is not \$10 million available to close the school budget's gap. He stated council needs to see a school improvement plan and responses to concerns over drop out and graduation rates. He reiterated there is no tax increase planned, but that it is early.

C. SELDEN ARCADE

Wynter Benda, Deputy City Manager, presented plans for the renovated Selden Arcade including a Maker Space.

Drew Ungvarsky reviewed the Vibrant Spaces program noting new businesses that resulted such as Prince Ink, Lamia's Crepes and Muddy Paws. He presented a proposal for utilizing the Arcade as a retail incubator space that offers start-ups low rent and short term leases.

Mayor Alexander suggested issuing a national request for proposal to seek other options. Mrs. Graves expressed support for this suggestion.

Mr. Thomas expressed support for the proposal stating this is what progressive cities are doing.

Ms. McClellan voiced support for the concept, stating this is an opportunity to support small businesses.

Dr. Whibley also spoke in support of the concept stating the Arcade needs tenants and it will help Waterside as well.

Mrs. Johnson stated she believed areas outside downtown should also be looked at for this concept.

Mr. Smigiel was supportive of both the proposed concept and Mrs. Johnson's suggestion of growing it into other areas of the city.

D. CLOSED SESSION

Motion for closed session was approved for purposes which are set out in **Clause(s) 3 and 7 of subsection (A) of Section 2.2-3711 of the Virginia Freedom of Information Act**, as amended:

- (3) Discussion of the acquisition of real property for public purpose in the Church Street corridor.
- (7) Consultation with legal counsel regarding litigation concerning the cigar factory.

Yes: Graves, Johnson, McClellan, Smigiel, Thomas, Whibley and Alexander.

No: None.